



County of Los Angeles
CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

(VIA ELECTRONIC MAIL)

February 14, 2008

To: All Department Heads

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

SOLE SOURCE CONTRACT CHECKLIST AND ANNUAL REPORT

On February 6, 2008, the Board of Supervisors approved revisions to Board Policy 5.100 – Sole Source Contracts (Policy) (Attachment I). The revised Policy is effective immediately and it continues the current requirement for departments to advise the Board in advance of commencing negotiations for Board-approved sole source contracts in excess of \$250,000. The updated Policy also mandates departments attach a Sole Source Checklist (Attachment II) to any Board letter which includes a recommendation to approve a sole source contract. The Checklist will be reviewed and approved by this Office to ensure compliance with the criteria for sole source contracts prior to submittal to the Board. To facilitate this directive, we will distribute electronic copies of the Checklist to each departmental Administrative Deputy and to the Contract Managers' Network.

In addition to the above, the revisions to the Policy add a requirement for departments to track their sole source contracts below the threshold of \$250,000 effective immediately and to provide such information to this Office beginning June 2008, and on an annual basis thereafter. This Office will compile the data for submission to the Board. We will advise you of the specific date to submit your departmental sole source data to this Office at a later date.

If you have any questions regarding this memorandum, please let me know, or your staff may contact Vincent Amerson at (213) 974-1168 or vamerson@ceo.lacounty.gov.

WTF:ES:MKZ
VLA:pg

Attachments

c: Each Supervisor
Administrative Deputies (Via Electronic Mail)
Contract Managers' Network (Via Electronic Mail)



Los Angeles County **BOARD OF SUPERVISORS POLICY MANUAL**

Policy #:	Title:	Effective Date:
5.100	Sole Source Contracts	03/02/99

PURPOSE

Provide the Board of Supervisors with early notification of prospective large sole source contracts. The Chief Executive Office has implemented and will continue to monitor this policy with the intent of recommending future policy changes, as appropriate.

REFERENCE

February 23, 1999 Board Order, Synopsis 15

March 2, 1999 Chief Administrative Office memo, "Sole Source Contracts"

POLICY

County departments intending to negotiate a sole source services contract of \$250,000 or greater, must provide advance written notice to the Board of Supervisors, with a copy to the Chief Executive Officer, indicating that they will proceed with the sole source contract negotiations within two weeks unless otherwise instructed by a Board office.

In addition, any department requesting Board approval of a sole source contract must include with the Board letter a completed sole source checklist (as provided below) approved by the Chief Executive Office.

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS
	<i>Identify applicable justification and provide documentation for each checked item.</i>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation).
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc.
	➤ Other reason. Please explain:
<div style="display: flex; justify-content: space-between;"> <div>_____ Deputy Chief Executive Officer, CEO</div> <div>_____ Date</div> </div>	

Each County department head is also required to report to the Chief Executive Officer by June 30 of each year those sole source contracts under \$250,000 executed by/for their department for the fiscal year ending on June 30. The Chief Executive Officer will compile the list and submit it to the Board of Supervisors.

RESPONSIBLE DEPARTMENT

Chief Executive Office
Internal Services Department

DATE ISSUED/SUNSET DATE

Issue Date: February 23, 1999
Reissue Date: January 16, 2003
Reissue Date: February 6, 2008

Sunset Review Date: January 16, 2003
Sunset Review Date: January 16, 2007
Sunset Review Date: February 6, 2012

SOLE SOURCE CHECKLIST

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS <i>Identify applicable justification and provide documentation for each checked item.</i>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation).
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc.
	➤ Other reason. Please explain:
<div style="display: flex; justify-content: space-between;"> <div data-bbox="105 1724 656 1761">Deputy Chief Executive Officer, CEO</div> <div data-bbox="980 1724 1052 1761">Date</div> </div>	